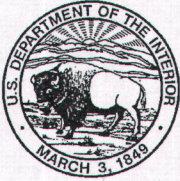


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Wayne



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Fillmore Field Office

95 East 500 North

Fillmore, UT 84631

<http://www.blm.gov/ut/st/en/fo/fillmore.html>



IN REPLY REFER TO:  
3809 (UTW02000)  
UTU-88442

May 27, 2014

RECEIVED

JUN 02 2014

DIV. OF OIL, GAS & MINING

CERTIFIED MAIL # 7012 3460 0000 6633 1684  
RETURN RECEIPT REQUESTED

Mr. Russ Henrie  
P.O. Box 1113  
Delta, UT 84624

:  
:  
: 43 CFR 3809 - Surface Management  
: Plan of Operations

#### Plan of Operations Incomplete

Your proposed mining Plan of Operations (Plan) for the SW¼ of section 31, Township 13 South, Range 19 West, Salt Lake Meridian; was received by the Fillmore Field Office (FFO) of the Bureau of Land Management (BLM) on May 1, 2014. The new Plan is an update of an incomplete Plan previously submitted to the BLM on March 25, 2011 by Loy Crapo, before Mr. Crapo passed away. The proposed Plan was assigned BLM case file number UTU-88442, and that case file number has been retained for the new Plan of Operations proposal. Please refer to this number in future correspondence. The corresponding Utah Division of Oil, Gas and Mining (UDOGM) case file number is S/023/0028.

Based on our initial review of your filing, we have determined your Plan contains most elements required for completeness, but it does not contain all information items required by the BLM surface management regulations at 43 CFR §3809.401(b). The following information must be provided in order for your Plan to be complete:

1. Schedule of Operations – as specified on the submitted form in the box entitled ‘Schedule of Operations’, “Operations with open-ended or undefined schedules cannot be accepted.” The statement, “... mining occurs on as needed basis ...”, is insufficiently detailed. Please provide a complete schedule of mining operations. Broad time boundaries, such as ‘May through October’, are acceptable, but you will be assumed to be continuously in operation during specified time periods.
2. Interim Management Plan – As specified under 43 CFR §3809.401(b)(5), ‘Interim Management Plan,’ you must provide a plan to manage the project area during periods of temporary closure, including periods of seasonal closure. The interim management plan submitted states that you will keep the site ‘in a clean and safe manner’, but does not provide details. One detail to mention in the Plan would be the warning signs which are now posted at the site to notify the public of the hazards from an active mining operation. It would also be advisable to mention in writing that no fuels or lubricants will be left unattended or overnight at the site and that all equipment will be removed from the site when you are not in

operation.

The interim management plan should include:

- a. Measures to stabilize excavations and workings;
- b. Provisions for the storage or removal of equipment, supplies, and structures;
- c. Measures to maintain the project area in a safe and clean condition;
- d. Plans for monitoring site conditions during periods of non-operation, such as bi-weekly or monthly site visits by the operator; and
- e. A schedule of anticipated periods of temporary closure during which you would implement the interim management plan, including provisions for notifying BLM of unplanned or extended temporary closures.

3. Operating Plan – The surface disturbance area may not be relocated, or expanded, without prior approval from the BLM. The 'Reclamation Plan' box in the submitted document states that you will update the surface disturbance map as the area of disturbance changes, and the 'Operating Plan' box states that reclamation will be performed annually on surface disturbances over two acres.

No changes may be made in surface disturbance area locations and extents without prior approval and submission of an adequate reclamation bond. Areas larger than two acres, and more extensive workings, may be approved, but they must be approved in advance and an adequate bond must be accepted by the BLM and UDOGM before expanded or modified operations may begin.

4. Reclamation Plan – as specified in 43 CFR §3809.401(b)(3), you have included a concise description of reclamation methods. However, the reclamation plan must also include these items:

- a. Consideration of the performance standards required in 43 CFR § 3809.420. By addressing these standards, the operator is allowed some flexibility to explain variations from commonly required actions, such as revegetation with a mature community of native species.

For example, in 43 CFR § 3809.420(3)(iii)(A), it is stated that reclamation shall include, but not be limited to, saving of topsoil for final application after reshaping of disturbed areas have been completed. In the scenario at the Treasure Chest Mine, it has been agreed that the post-mining use should be incorporation into the surrounding rock hounding area. Therefore, topsoil placement on the pit slope surfaces is unnecessary, and only reduction of slopes in the interest of public safety may be specified. Topsoil placement and revegetation may be stated in the Plan as limited to disturbed areas outside of the open pits.

As another example, it could be stated in the Plan of Operations that the open pits will remain open after mining concludes for rock hounding, but slopes will be reduced to 3:1 or less, and ramps will remain so that rock hounds, livestock, and wildlife may more easily leave the open pits;

- b. As required under 43 CFR §3809.401(b)(3)(iii), a description of the equipment, devices, or practices which you propose to use for regarding and reshaping of the pits

and waste rock piles;

- c. Describe methods by which growth medium (e.g., soil) will be conserved and applied to surface disturbances upon closure.
  - d. Describe methods by which re-vegetation efforts will be made. Please specify if you plan to drill-seed or broadcast-seed the surface disturbance areas after use ends.
5. Occupancy – As described in 43 CFR §3715.1, the placement, construction, or maintenance of enclosures, gates, fences, or signs requires concurrence of BLM. Please describe the locations and characteristics of the existing warning signs and any other site security measures, such as fences, which may be under consideration. A simple fence, perhaps with only a few wire strands, around your mining claims and site might deter some unauthorized visitors to the pits. Approval of a proposed fence would be strongly considered by the Fillmore BLM.

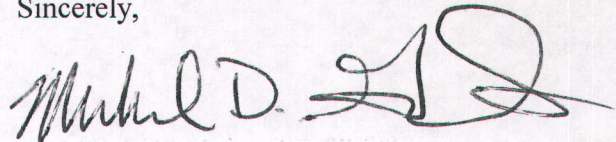
Fillmore Field Office of the BLM is seeking approval and funding for placement of a kiosk near the Pony Express Road. The proposed kiosk would show the location of the mining operation with a statement that the designated area is not part of the rock hounding area.

Until a complete Plan with the additional information is filed with this office, BLM is unable to determine if your proposed operations will result in unnecessary or undue degradation as defined under 43 CFR §3809.5. In addition, we are unable to make a determination as to our agreement with the amount of required financial guarantee.

Please submit the required information at your earliest convenience. Until we receive this information, your Plan cannot be fully processed and mining activity is not to take place.

If you have any questions, please contact Duane Bays, BLM-FFO Natural Resource Specialist, at (435) 743-3115.

Sincerely,



Michael D. Gates  
Field Manager

cc:

Paul Baker  
UDOGM  
1594 W North Temple, Suite 1210  
Salt Lake City, UT 84114

Opie Abeyta (UT-923)  
Utah State Office/ BLM  
440 West 200 South, Suite 500  
Salt Lake City, UT 84101